



## Consolidated Financial Highlights for the Third Quarter of FY2024 [Japanese GAAP]

February 12, 2025

Company name: TACHI-S CO., LTD. Stock exchange listings: Tokyo Stock Exchange  
 Code number: 7239 URL <https://www.tachi-s.co.jp/>  
 Representative: (Title) Representative Director, President, CEO & COO (Name) Yuichiro Yamamoto  
 Contact person: (Title) Representative Director, Executive Managing Officer (Name) Atsushi Komatsu (TEL) 0428-33-1917  
 Scheduled date of start of dividend payment -  
 Additional materials to financial results : No  
 Holding of the financial results briefing session : No

(Amounts less than one million yen are rounded down)

### 1. Consolidated Financial Results for the Third Quarter of FY2024 (April 1, 2024 through December 31, 2024)

#### (1) Consolidated Operating Results (% indicates the changes from the same period in the previous year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent	
	Million yen	%	Million yen	%	Million yen	%	Million yen	%
3Q of FY2024	218,153	0.8	5,022	33.0	5,551	20.4	5,138	78.9
3Q of FY2023	216,336	25.1	3,775	-	4,611	-	2,872	-

(Note) Comprehensive income 3Q of FY2024 4,093 million yen [(54.7%)]  
 3Q of FY2023 9,036 million yen [20.1%]

	Net income per share	Diluted net income per share
	yen	yen
3Q of FY2024	149.90	-
3Q of FY2023	83.85	-

#### (2) Consolidated Financial Positions

	Total assets	Shareholder's equity	Shareholder's equity ratio
	Million yen	Million yen	%
3Q of FY2024	166,267	92,009	54.0
FY2023	180,806	96,298	49.7

(Reference) Equity capital 3Q of FY2024 89,834 million yen  
 FY2023 89,776 million yen

### 2. Dividends

	Annual cash dividends per share				
	End of 1st quarter	End of 2nd quarter	End of 3rd quarter	End of fiscal year	Total
	yen	yen	yen	yen	yen
FY2023	-	46.40	-	46.40	92.80
FY2024	-	51.90	-	-	-
FY2024 (Forecast)	-	-	-	51.90	103.80

(Note) Changes in forecast of dividend from the latest announcement : No

As for the forecast of the annual cash dividend per share for the current fiscal year, the Company will pay a regular dividend of 103.8 yen (an interim dividend of 51.9 yen and a year-end dividend of 51.9 yen), representing a dividend on equity ratio (DOE) of 4%, because the Company has set the management goal for FY2024, the final year of the medium-term management plan, as achieving a return on equity (ROE) of 8% by any means.

### 3. Consolidated Forecast for FY2024 (April 1, 2024, through March 31, 2025)

(% indicates the changes from the previous year)

	Net sales		Operating income		Ordinary income		Net income attributable to owners of parent		Net income per share
Full year	Million yen	%	Million yen	%	Million yen	%	Million yen	%	yen
	279,800	(4.5)	6,750	(6.3)	5,800	(33.8)	7,500	38.3	218.78

(Note) Changes in forecast of consolidated results from the latest announcement : No

#### \* Notes

- (1) Significant changes in the scope of consolidation during the period under review : Yes  
Exclusion 1 company (company name) Techno Trim, Inc.
- (2) Adoption of special accounting treatment pertaining to the preparation of quarterly consolidated financial statements : No
- (3) Changes in accounting policies, changes in accounting estimates, and restatement.
  - (i) Changes in accounting policies due to revisions to accounting standards and other regulations : Yes
  - (ii) Changes in accounting policies except (i) : No
  - (iii) Changes in accounting estimates : No
  - (iv) Restatement : No

#### (4) Number of outstanding shares (common stock)

(i) Number of shares at the end of the period (including treasury shares)	3Q of FY2024	35,242,846 shares	FY2023	35,242,846 shares
(ii) Number of treasury shares at the end of the period	3Q of FY2024	960,417 shares	FY2023	961,817 shares
(iii) Average number of shares during the period (cumulative from the beginning of the fiscal year)	3Q of FY2024	34,281,429 shares	3Q of FY2023	34,263,011 shares

\* Review of the accompanying quarterly consolidated financial statements by a certified public accountant or auditing firm: Yes (voluntary)

#### \* Note for appropriate use of this business forecast and other notices

The above business forecast was based on the information that the Company obtained at this time and certain premises that the Company judged appropriate. Actual results may differ from this forecast as the result of a variety of factors.

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Independent Auditor's Review Report on the Quarterly Consolidated Financial Statements

## 1. Qualitative Information for Quarterly Financial Results for the Period under Review

### (1) Explanation on operating results

During the first nine months of the fiscal year under review, the Japanese economy remained on a moderate recovery trend, bolstered by sound corporate earnings and medium- to long-term investments in initiatives such as the improvement of productivity in the face of labor shortages as well as decarbonization. Following the wage hikes in 2024's annual labor-management spring wage negotiation, the realization of sustainable wage increases has continued to be a top priority for negotiations in 2025, raising expectations for a pick-up in consumer spending due to a recovery in real wages. In terms of major risks, the impact of revisions to main policies by the new U.S. administration that has declared an "America First" agenda and the protracted stagnation of the Chinese economy are mainly cited.

In the auto industry, in which the Group operates, business conditions vary from automotive company to automotive company in the wake of a slowdown in the market shift to battery electric vehicles (BEV). In running our business, it is now necessary to keep a closer eye than ever on the production and sales forecasts and the inventory state of automotive companies. In addition, we need to improve productivity and enhance our ability to create added value as an integrated effort with investment in human resources, which are a source of competitiveness, thereby pursuing business operations that seize the opportunity afforded by the ongoing structural changes in the industry.

In this operating environment, the performance during the first nine months of the consolidated fiscal year under review was as follows: Net sales increased by 0.8% year on year to 218,153 million yen, which led to an operating income of 5,022 million yen (up 33.0% year on year), an ordinary income of 5,551 million yen (up 20.4% year on year) and a net income attributable to owners of parent of 5,138 million yen (up 78.9% year on year).

Earnings in the business segments are as follows.

#### (i) Japan

Net sales totaled 86,227 million yen (down 8.3% from the same period of the previous fiscal year), and operating income was 4,314 million yen (up 53.5% from the same period of the previous fiscal year).

#### (ii) North America

Net sales totaled 35,337 million yen (down 16.5% from the same period of the previous fiscal year), and operating loss was 220 million yen (compared to an operating loss of 1,286 million yen in the same period of the previous fiscal year).

#### (iii) Latin America

Net sales totaled 78,893 million yen (up 20.8% from the same period of the previous fiscal year), and operating income was 1,010 million yen (down 41.8% from the same period of the previous fiscal year).

#### (iv) Europe

Net sales consisted only of internal sales, and there were no sales to external customers. Operating loss was 61 million yen (compared with operating income of 124 million yen in the same period of the previous fiscal year).

#### (v) China

Net sales totaled 14,584 million yen (up 15.8% from the same period of the previous fiscal year), and operating loss was 319 million yen (compared to an operating income of 276 million yen in the same period of the previous fiscal year).

#### (vi) Southeast Asia

Net sales totaled 3,110 million yen (up 50.2% from the same period of the previous fiscal year), and operating income was 335 million yen (compared with an operating income of 28 million yen in the same period of the previous fiscal year).

### (2) Explanation on financial position

Total assets at the end of the first nine months of the fiscal year under review decreased by 14,539 million yen from the end of the previous fiscal year to 166,267 million yen. This was mainly due to a decrease of 5,674 million yen in investment securities, primarily resulting from the sale of shares of subsidiaries and associates, and a decrease of 2,224 million yen in "other" under investments and other assets due to a decrease in investments in capital of subsidiaries and associates in addition to a decrease of 2,147 million yen in notes and accounts receivable - trade and a decrease of 2,352 million yen in "other" under current assets, owing to decreases in accounts receivable - other, etc.

Total liabilities decreased by 10,249 million yen from the end of the previous fiscal year to 74,257 million yen. This was mainly caused by a decrease of 5,541 million yen in notes and accounts payable - trade and a decrease of 3,260 million yen in "other" under current liabilities due to decreases in accrued expenses, etc.

Net assets decreased by 4,289 million yen from the end of the previous fiscal year to 92,009 million yen. This is primarily due to a decrease of 4,347 million yen in non-controlling interests.

### (3) Explanation on consolidated financial results forecast and other forward-looking information

Consolidated financial results forecast for the fiscal year ending March 2025 remains unchanged from the one that was announced on November 14, 2024.

## 2. Quarterly Consolidated Financial Results Forecast and Primary Notes

### (1) Quarterly consolidated balance sheet

(Unit: Millions of yen)

	Previous consolidated fiscal year (March 31, 2024)	Third quarter of the fiscal year under review (December 31, 2024)
<b>Assets</b>		
Current assets		
Cash and deposits	39,185	40,466
Notes and accounts receivable - trade	46,691	44,543
Merchandise and finished goods	2,627	1,714
Work in process	1,282	1,111
Raw materials and supplies	15,453	14,953
Other	9,096	6,743
Allowance for doubtful accounts	(1,399)	(1,798)
Total current assets	112,937	107,734
Non-current assets		
Property, plant and equipment		
Buildings and structures, net	10,181	9,669
Machinery, equipment and vehicles, net	11,263	10,775
Other, net	14,432	13,976
Total property, plant and equipment	35,877	34,420
Intangible assets	1,403	1,331
Investments and other assets		
Investment securities	12,415	6,741
Other	18,700	16,475
Allowance for doubtful accounts	(527)	(436)
Total investments and other assets	30,588	22,780
Total non-current assets	67,869	58,533
Total assets	180,806	166,267

(Unit: Millions of yen)

	Previous consolidated fiscal year (March 31, 2024)	Third quarter of the fiscal year under review (December 31, 2024)
<b>Liabilities</b>		
Current liabilities		
Notes and accounts payable - trade	41,214	35,672
Short-term borrowings	11,159	10,865
Income taxes payable	1,633	1,246
Provision for bonuses for directors (and other officers)	60	-
Provision for loss on litigation	339	362
Asset retirement obligations	0	-
Other	20,910	17,650
Total current liabilities	75,318	65,795
Non-current liabilities		
Provision for share-based remuneration	334	402
Retirement benefit liability	3,030	2,907
Asset retirement obligations	37	15
Other	5,786	5,136
Total non-current liabilities	9,189	8,462
Total liabilities	84,507	74,257
<b>Net assets</b>		
Shareholders' equity		
Share capital	9,040	9,040
Capital surplus	8,713	7,907
Retained earnings	53,277	55,013
Treasury shares	(1,368)	(1,366)
Total shareholders' equity	69,662	70,595
Other comprehensive income		
Valuation difference on available-for-sale securities	1,879	996
Foreign currency translation adjustment	17,958	17,987
Remeasurements of defined benefit plans	275	254
Total other comprehensive income	20,113	19,239
Non-controlling interests	6,522	2,174
Total net assets	96,298	92,009
Total liabilities and net assets	180,806	166,267

## (2) Quarterly consolidated statement of income and quarterly consolidated statement of comprehensive income

## Quarterly Consolidated Statement of Income

First nine months of the fiscal year

	(Unit: Millions of yen)	
	First nine months of the previous fiscal year (April 1, 2023 through December 31, 2023)	First nine months of the fiscal year under review (April 1, 2024 through December 31, 2024)
Net sales	216,336	218,153
Cost of sales	196,870	197,312
Gross profit	19,466	20,840
Selling, general and administrative expenses		
Employees' salaries and benefits	5,182	5,029
Shipping expenses	2,141	2,283
Other	8,367	8,504
Total selling, general and administrative expenses	15,691	15,818
Operating income	3,775	5,022
Non-operating income		
Interest income	639	701
Dividend income	226	512
Share of profit of entities accounted for using equity method	665	-
Miscellaneous income	225	264
Total non-operating income	1,756	1,477
Non-operating expenses		
Interest expenses	683	392
Share of loss of entities accounted for using equity method	-	226
Foreign exchange losses	150	216
Miscellaneous expenditures	86	114
Total non-operating expenses	920	948
Ordinary income	4,611	5,551
Extraordinary income		
Gain on sale of non-current assets	30	1,583
Gain on sale of investment securities	-	59
Gain on sale of shares of subsidiaries and associates	-	2,007
Total extraordinary income	30	3,650
Extraordinary losses		
Loss on disposal of non-current assets	40	66
Impairment losses	41	-
Business restructuring and improvement expenses	249	475
Loss on sales of investments in capital of subsidiaries and associates	-	16
Total extraordinary losses	331	558
Net income before income taxes	4,311	8,643
Income taxes - current	1,374	2,670
Income taxes - deferred	(163)	878
Total income taxes	1,211	3,549
Profit	3,100	5,094
Net income (loss) attributable to non-controlling interests	227	(43)
Net income attributable to owners of parent	2,872	5,138

Quarterly Consolidated Statement of Comprehensive Income

First nine months of the fiscal year

(Unit: Millions of yen)

	First nine months of the previous fiscal year (April 1, 2023 through December 31, 2023)	First nine months of the fiscal year under review (April 1, 2024 through December 31, 2024)
Profit (loss)	3,100	5,094
Other comprehensive income		
Valuation difference on available-for-sale securities	395	(883)
Foreign currency translation adjustment	4,725	(121)
Remeasurements of defined benefit plans	(11)	(20)
Share of other comprehensive income of associates accounted for under the equity method	826	23
Total other comprehensive income	5,935	(1,001)
Comprehensive income	9,036	4,093
(Breakdown)		
Comprehensive income attributable to owners of parent	8,411	4,264
Comprehensive income attributable to non-controlling interests	624	(170)



(3) Notes regarding quarterly consolidated financial statements

(Notes regarding going concern assumptions)

Not applicable.

(Notes when there was a substantial change in the amount of shareholders' equity)

Not applicable.

(Changes in accounting policies)

(Application of "Accounting Standard for Current Income Taxes," etc.)

The "Accounting Standard for Current Income Taxes" (ASBJ Statement No. 27, October 28, 2022; hereinafter referred to as the "2022 Revised Accounting Standard"), etc. has been applied from the beginning of the first quarter of the current fiscal year.

Regarding the revision to the categories in which current income taxes should be recorded (taxation on other comprehensive income), the Company follows the transitional treatment prescribed in the proviso to Paragraph 20-3 of the 2022 Revised Accounting Standard and the transitional treatment prescribed in the proviso to Paragraph 65-2 (2) of the "Implementation Guidance on Tax Effect Accounting" (ASBJ Guidance No. 28, October 28, 2022; hereinafter referred to as the "2022 Revised Implementation Guidance"). These changes in accounting policies have no impact on the quarterly consolidated financial statements.

In addition, with regard to revisions related to the treatment in consolidated financial statements when gains or losses arising from the sale of subsidiary shares, etc. among consolidated companies, are deferred for tax purposes, the 2022 Revised Implementation Guidance has been applied from the beginning of the first quarter of the current fiscal year. These changes in accounting policies have been applied retrospectively, and quarterly consolidated financial statements and consolidated financial statements for quarters in the previous fiscal year and the whole of the previous fiscal year have been prepared on a retrospective basis. These changes in accounting policies have no impact on the quarterly consolidated financial statements and consolidated financial statements of the previous fiscal year.

(Segment information, etc.)

Information related to net sales and profit/loss for each reportable segment and information on disaggregation of revenue

First nine months of the previous fiscal year (April 1, 2023 through December 31, 2023)

(Unit: Millions of yen)

	Reportable Segment							Adjustments (Note) 1	Amount reported on quarterly consolidated statement of income (Note) 2
	Japan	North America	Latin America	Europe	China	Southeast Asia	Total		
Net sales									
Revenue from contracts with customers	94,015	42,321	65,333	0	12,594	2,071	216,336	-	216,336
Sales to outside customers	94,015	42,321	65,333	0	12,594	2,071	216,336	-	216,336
Intersegment sales or transfers	3,093	773	2,345	787	9,260	642	16,902	(16,902)	-
Total	97,108	43,094	67,679	787	21,854	2,713	233,238	(16,902)	216,336
Segment profit (loss)	2,811	(1,286)	1,735	124	276	28	3,691	84	3,775

(Notes) 1. Adjustments of segment profit (loss) are after elimination of inter-segment transactions.

2. Segment profit (loss) is adjusted with operating income under quarterly consolidated statement of income.

First nine months of the fiscal year under review (April 1, 2024 through December 31, 2024)

(Unit: Millions of yen)

	Reportable Segment							Adjustments (Note) 1	Amount reported on quarterly consolidated statement of income (Note) 2
	Japan	North America	Latin America	Europe	China	Southeast Asia	Total		
Net sales									
Revenue from contracts with customers	86,227	35,337	78,893	-	14,584	3,110	218,153	-	218,153
Sales to outside customers	86,227	35,337	78,893	-	14,584	3,110	218,153	-	218,153
Intersegment sales or transfers	5,203	220	1,460	14	8,421	1,120	16,440	(16,440)	-
Total	91,431	35,557	80,354	14	23,005	4,230	234,594	(16,440)	218,153
Segment profit (loss)	4,314	(220)	1,010	(61)	(319)	335	5,058	(35)	5,022

(Notes) 1. Adjustments of segment profit (loss) are after elimination of inter-segment transactions.

2. Segment profit (loss) is adjusted with operating income under quarterly consolidated statement of income.

(Note regarding statement of cash flows)

No quarterly consolidated statement of cash flows has been prepared for the first nine months of the fiscal year under review. Depreciation (including amortization related to intangible assets excluding goodwill) and amortization of goodwill for the first nine months of the fiscal year under review are as follows.

	First nine months of the previous fiscal year (April 1, 2023 through December 31, 2023)	First nine months of the fiscal year under review (April 1, 2024 through December 31, 2024)
Depreciation	4,203 Million yen	4,434 Million yen

Independent Auditor's Interim Review Report on Quarterly Consolidated Financial Statements  
(English Translation\*)

February 12, 2025

To the Board of Directors of Tachi-S Co., Ltd.

PricewaterhouseCoopers Japan LLC  
Tokyo office

Tatsuya Chiba, CPA  
Designated limited liability Partner  
Engagement Partner

Takashi Sasaki, CPA  
Designated limited liability Partner  
Engagement Partner

### **Auditor's Conclusion**

We have reviewed the quarterly consolidated financial statements of Tachi-S Co., Ltd. (the "Company") and its consolidated subsidiaries (collectively referred to as the "Group"), provided in the materials attached to the Consolidated Financial Results, which comprise the quarterly consolidated balance sheet, quarterly consolidated statements of income and comprehensive income, and notes to the quarterly consolidated financial statements, for the third quarter from April 1, 2024 to December 31, 2024 and the nine-month period from April 1, 2024 to December 31, 2024 of the consolidated fiscal year from Apr 1, 2024 to March 31, 2025.

Based on our interim review, nothing has come to our attention that causes us to believe that the quarterly consolidated financial statements are not prepared, in all material respects, in accordance with Article 4, Paragraph 1 of Standards for Preparation of Quarterly Financial Statements, etc. of Tokyo Stock Exchange, Inc. (the "Standards") and accounting standards generally accepted in Japan for quarterly financial statements (under the provision of Article 4, Paragraph 2 of the Standards).

### **Basis for Auditor's Conclusion**

We conducted our review in accordance with interim review standards generally accepted in Japan. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Interim Review of the Quarterly Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our review of the quarterly consolidated financial statements in Japan, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that we have obtained the evidence to provide a basis for our conclusion.

### **Responsibilities of Management and Those Charged with Governance for the Quarterly Consolidated Financial Statements**

Management is responsible for the preparation of the quarterly consolidated financial statements in accordance with Article 4, Paragraph 1 of the Standards and accounting standards generally accepted in Japan for quarterly financial statements (under the provision of Article 4, Paragraph 2 of the Standards), and for such internal control as management determines is necessary to enable the preparation of the quarterly consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the quarterly consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern and disclosing, as applicable, matters related to going concern in accordance with Article 4, Paragraph 1 of the Standards and accounting standards generally accepted in Japan for quarterly financial statements (under the provision of Article 4, Paragraph 2 of the Standards).

Those charged with governance are responsible for overseeing the directors' execution of their duties in designing and operating the Group's financial reporting process.

### **Auditor's Responsibilities for the Interim Review of the Quarterly Consolidated Financial Statements**

Our objective is to express a conclusion on these quarterly consolidated financial statements in our independent auditor's interim review report based on our review.

As part of a review in accordance with interim review standards generally accepted in Japan, we exercise professional judgment and maintain professional skepticism throughout the interim review. We also:

- Make inquiries, primarily of management and persons responsible for financial and accounting matters, and apply analytical and other interim review procedures. A review is substantially less in scope than an audit conducted in accordance with auditing standards generally accepted in Japan.
- Conclude on whether anything has come to our attention that causes us to believe that matters related to going concern are not prepared in the quarterly consolidated financial statements in accordance with Article 4, Paragraph 1 of the Standards and accounting standards generally accepted in Japan for quarterly financial statements (under the provision of Article 4, Paragraph 2 of the Standards), based on the evidence obtained, if, in the auditor's judgment, there exists a material uncertainty related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's interim review report to the related disclosures in the quarterly consolidated financial statements or, if such disclosures are inadequate, to express a qualified or adverse conclusion. Our conclusions are based on the evidence obtained up to the date of our auditor's interim review report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate whether anything has come to our attention that causes us to believe that the presentation and disclosures of the quarterly consolidated financial statements are not prepared in accordance with Article 4, Paragraph 1 of the Standards and accounting standards generally accepted in Japan for quarterly financial statements (under the provision of Article 4, Paragraph 2 of the Standards).
- Obtain evidence regarding the financial information of the Group as a basis for expressing a conclusion on the quarterly consolidated financial statements. We are responsible for the direction, supervision and review of the interim review of the quarterly consolidated financial statements. We remain solely responsible for our review conclusion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the interim review and significant review findings.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied to reduce threats to an acceptable level.

### **Interest required to be disclosed by the Certified Public Accountants Act of Japan**

Our firm and its designated engagement partners do not have any interest in the Group which is required to be disclosed pursuant to the provisions of the Certified Public Accountants Act of Japan.

- \* Notes to the Readers of Independent Auditor's Interim Review Report  
This is an English translation of the Independent Auditor's Interim Review Report for the conveniences of the reader. The original was prepared in Japanese. All possible care has been taken to ensure that the translation is an accurate representation of the original, however, in all matters of interpretation of information, views or opinions, the original language version of the report takes precedence over the translated version.

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(Notes) 1. The original of the Independent Auditor's Interim Review Report above is kept separately by the Company (the company of the Consolidated Financial Results).  
2. XBRL data and HTML data are not included in the scope of the interim review.